

SUNPOWER

11th Renewable Energy Marketing Conference
December 6, 2006

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VP External Affairs



Certain statements in the following presentation relate to future results that are forward looking statements as defined in the Private Securities Litigation Reform Act of 1995.

Actual results may differ materially from those projected as a result of certain risks and uncertainties, including but not limited to those noted in our S-1 Registration Statement and other filings with the SEC.

The financial presentation may include non-GAAP information. Management is prepared to answer questions for equivalent GAAP information or provide a reconciliation.

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History

- Founder: Dick Swanson, Stanford
 - Utility-scale solar dish application
 - High performance required
 - All-back-contact cell developed
 - NASA & Honda early customers
 - Great technology, high cost
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Superior Performance
Superior Aesthetics



SunPower
215 Watt Panel



Conventional
165 Watt Panel

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New Homes



Power Plants



Residential Retrofit



Commercial



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Vision

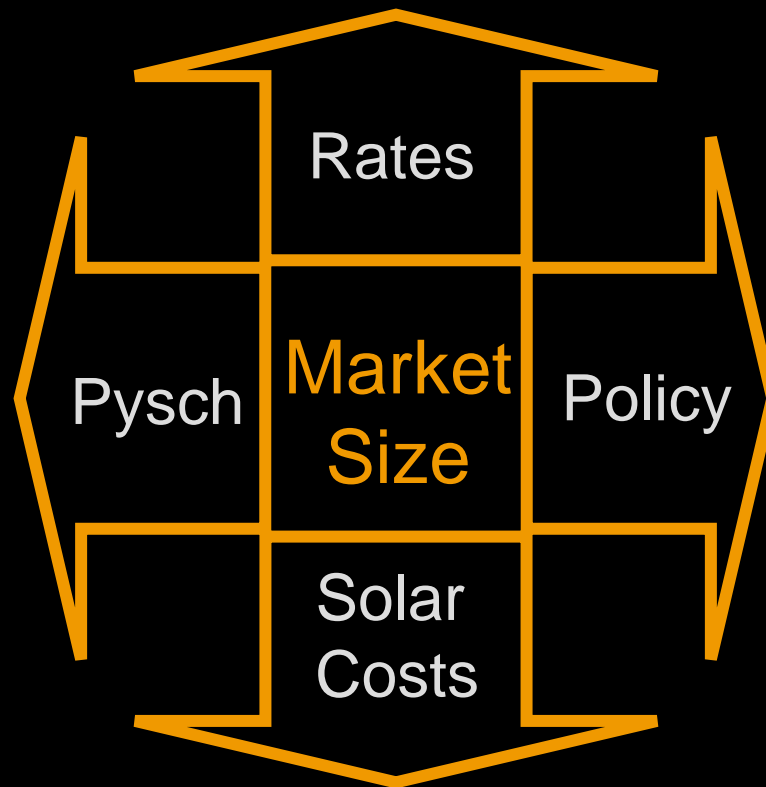
- We see a future where solar power is an essential component of the global energy mix.
- SunPower is the most widely recognized and highly valued solar power brand (Smarter Solar™)

Mission

- As the leader in delivering innovative and complete solar energy solutions to our customers, we work as a team to continuously set new standards for system performance, value, appearance, and customer experience.
 - We will compete with retail electric rates by reducing system cost 50% by 2012.
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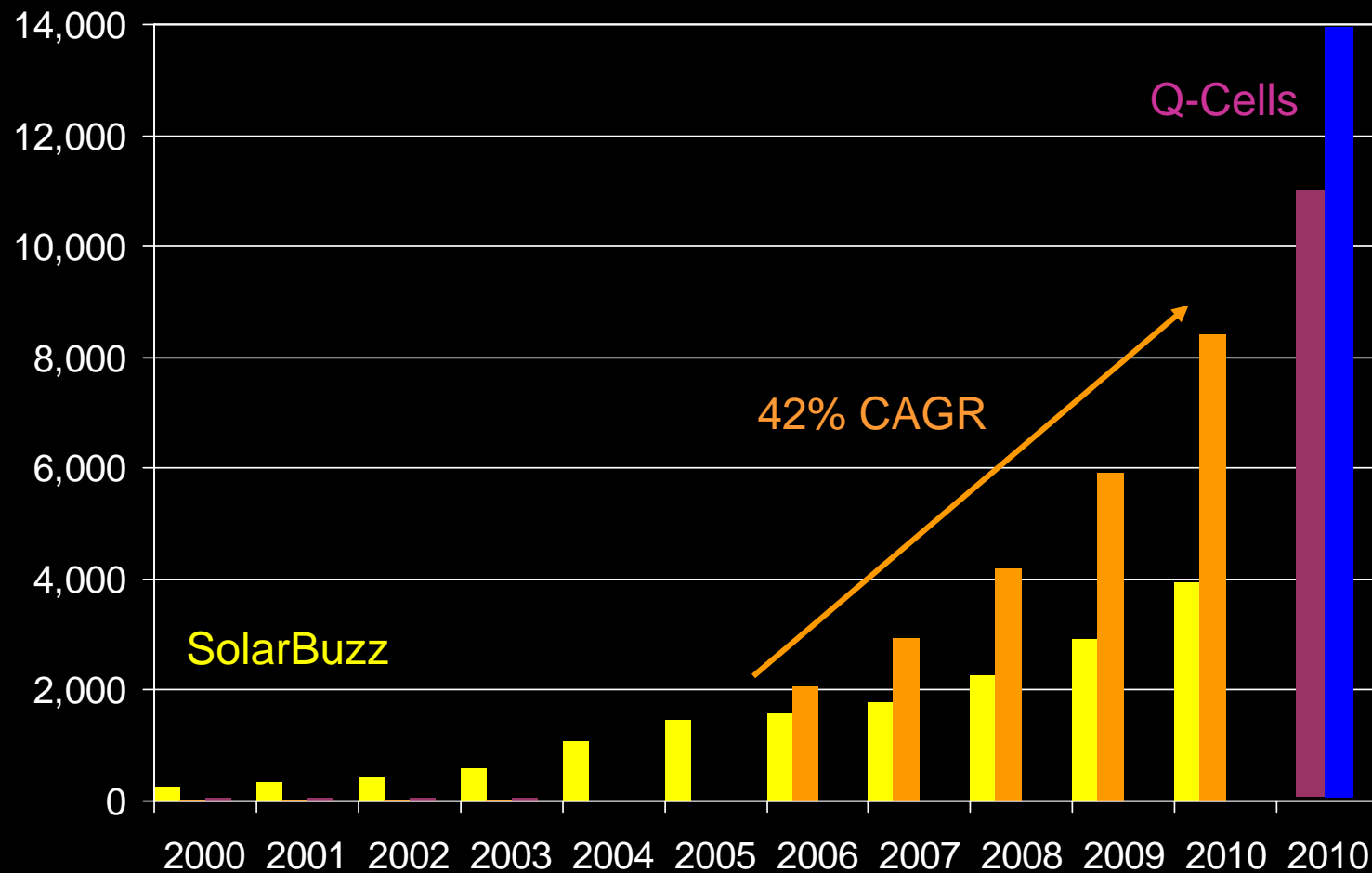
Industry controls costs, influences policy and context.



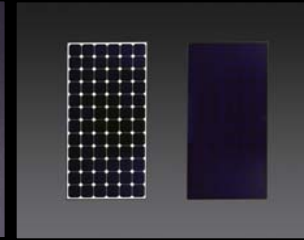
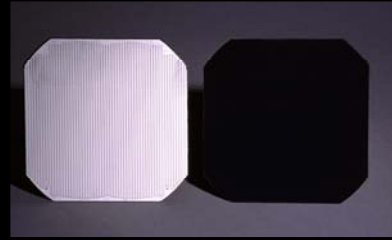
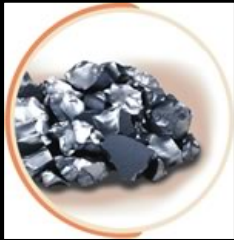
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Forecasts of the Future

Rogol



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Polysilicon

Ingot

Wafer

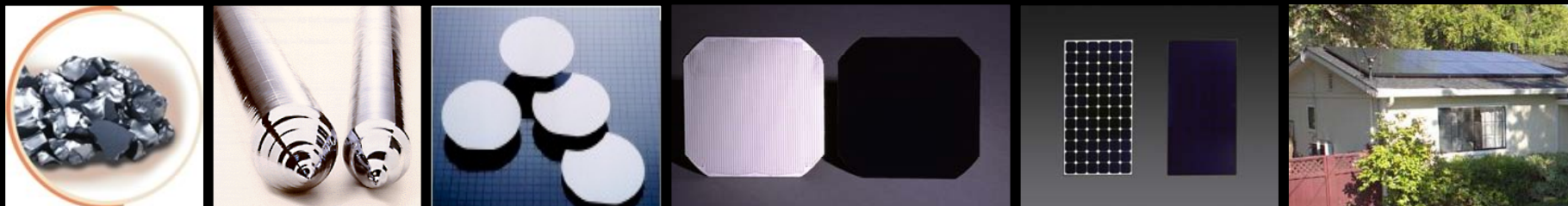
Solar Cell

Solar Panel

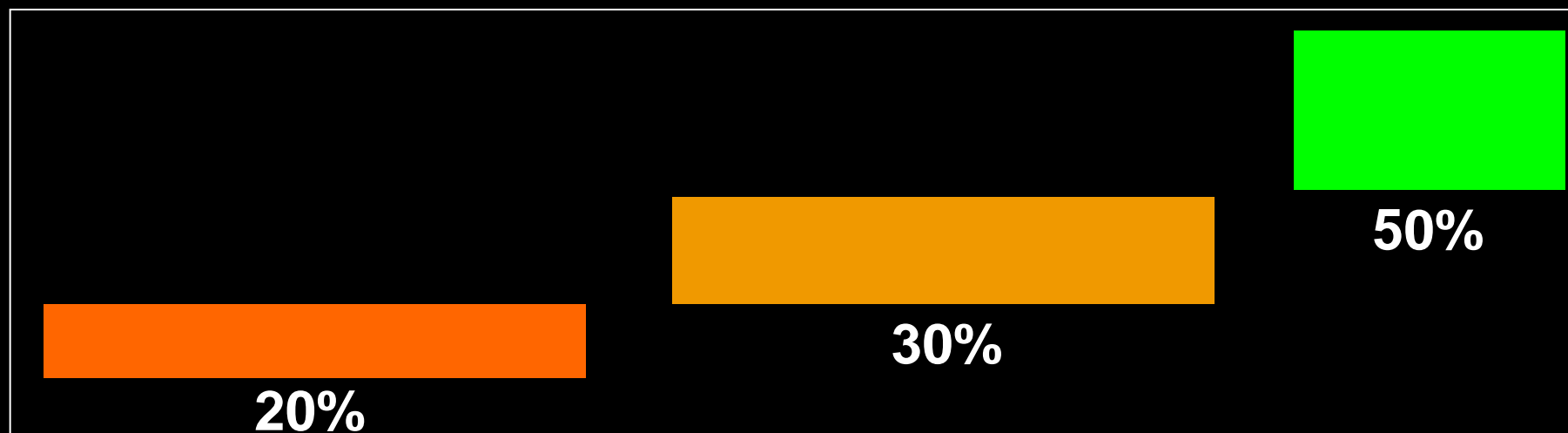
System

- Highest conversion efficiency
 - Unique, proprietary technology
 - Manufacturing excellence
 - Low engineering labor cost locations
 - Rapidly achieve and replicate scale
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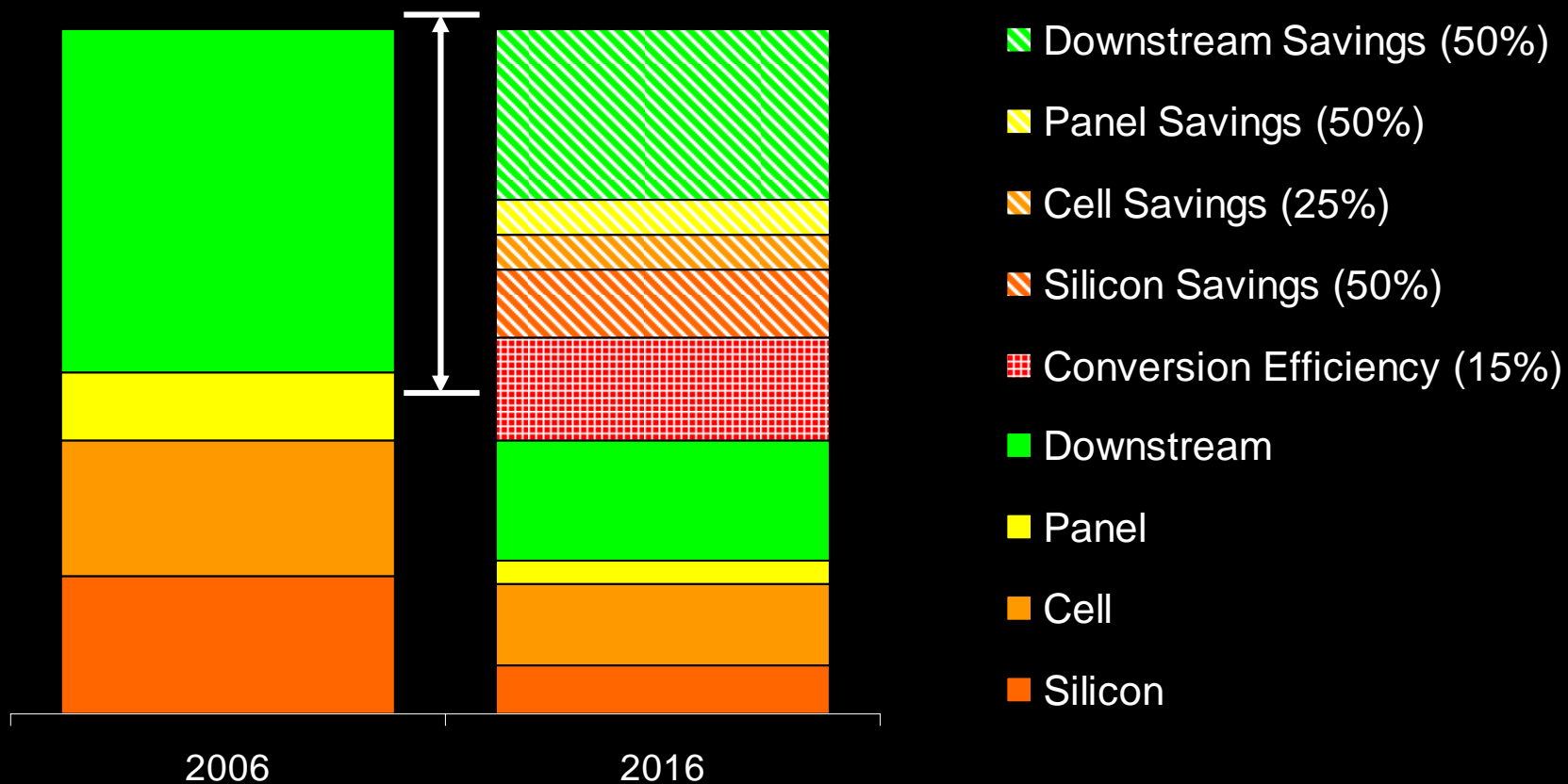
2006 US Solar System Cost Allocation by Category



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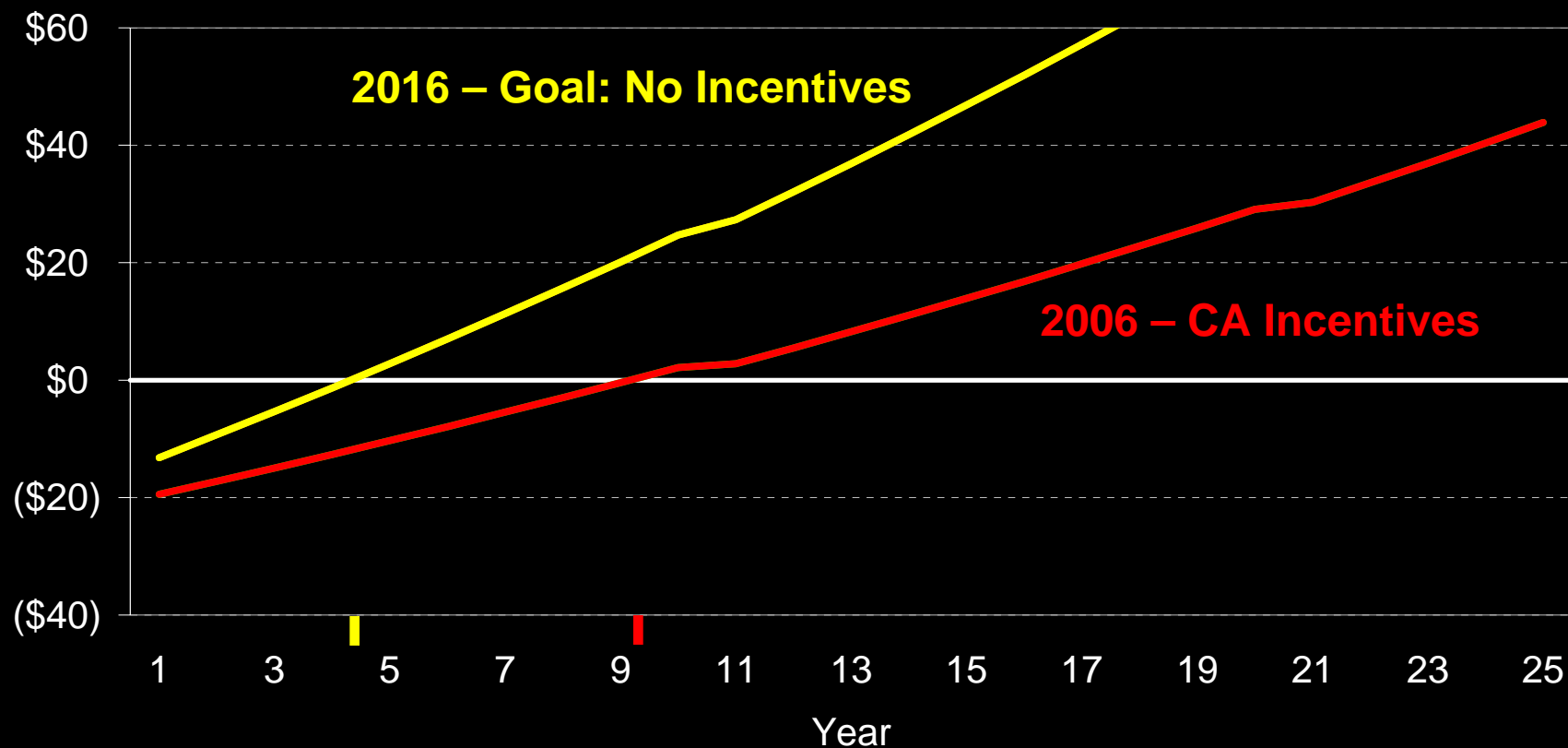
50%+ cost reduction from CA system cost is achievable

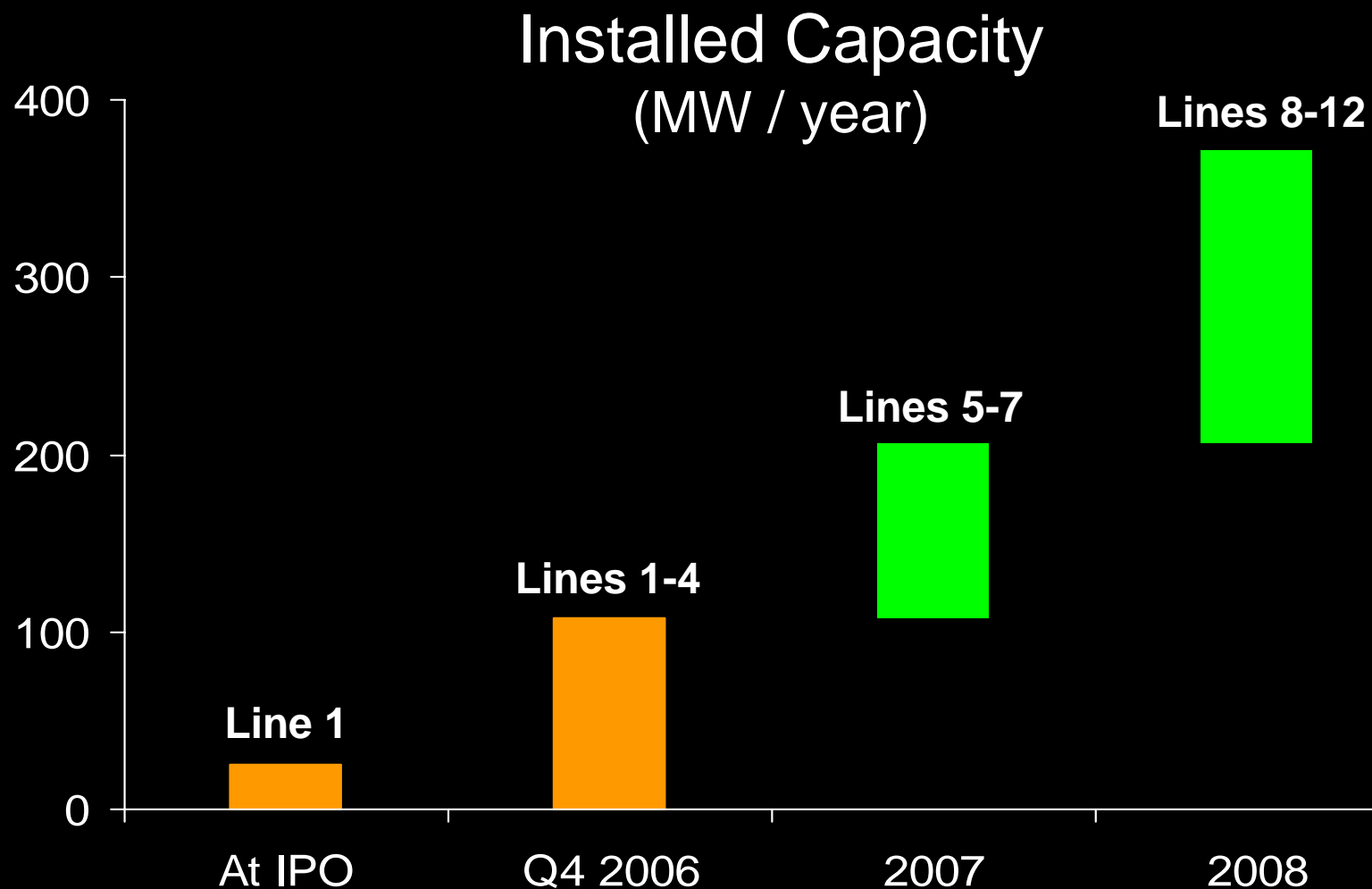
60% Drop in System Cost



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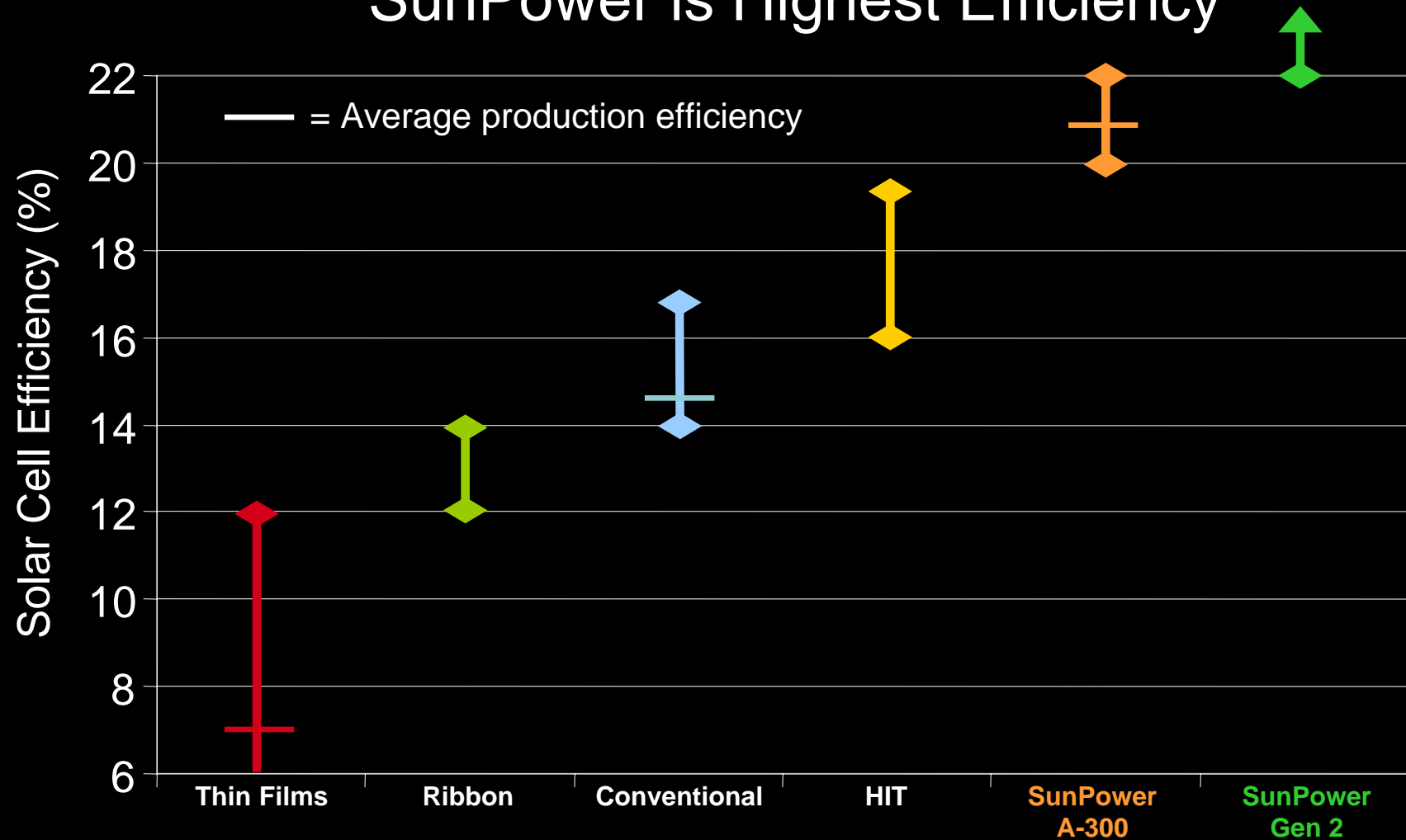
Solar Customer Cash Flow (\$ Thousands)





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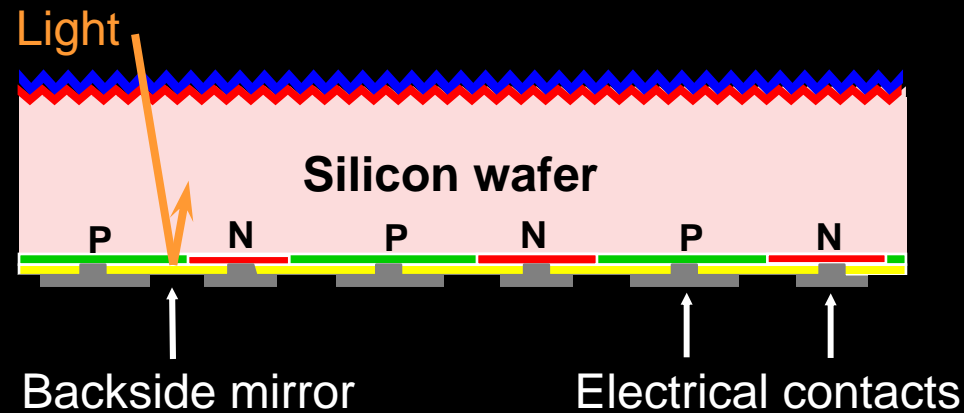
SunPower is Highest Efficiency



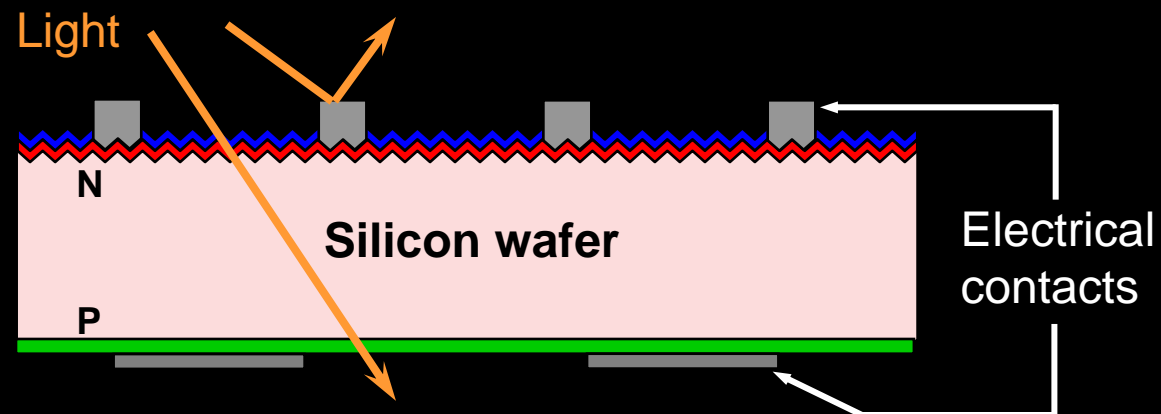
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High efficiency yields lower costs per watt.

SunPower's
Solar Cell
20 - 22%
Efficiency

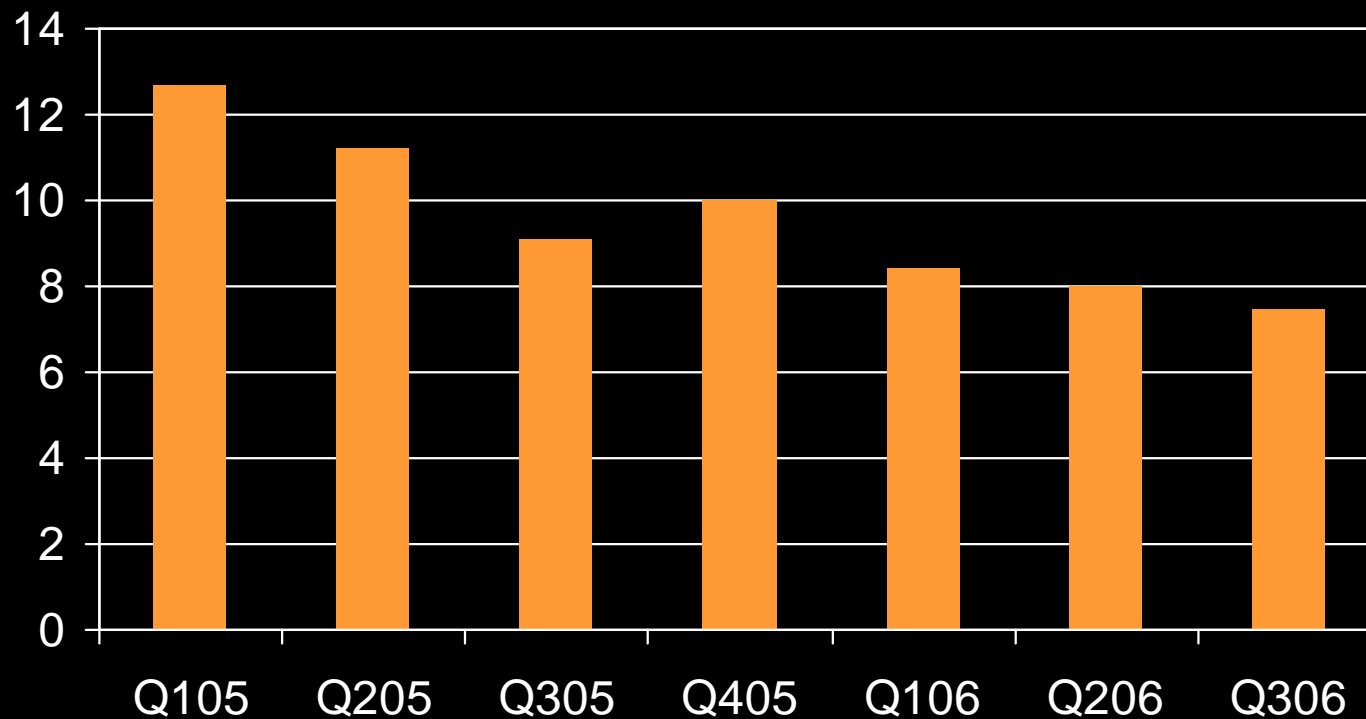


Conventional
Solar Cell
14 - 17%
Efficiency



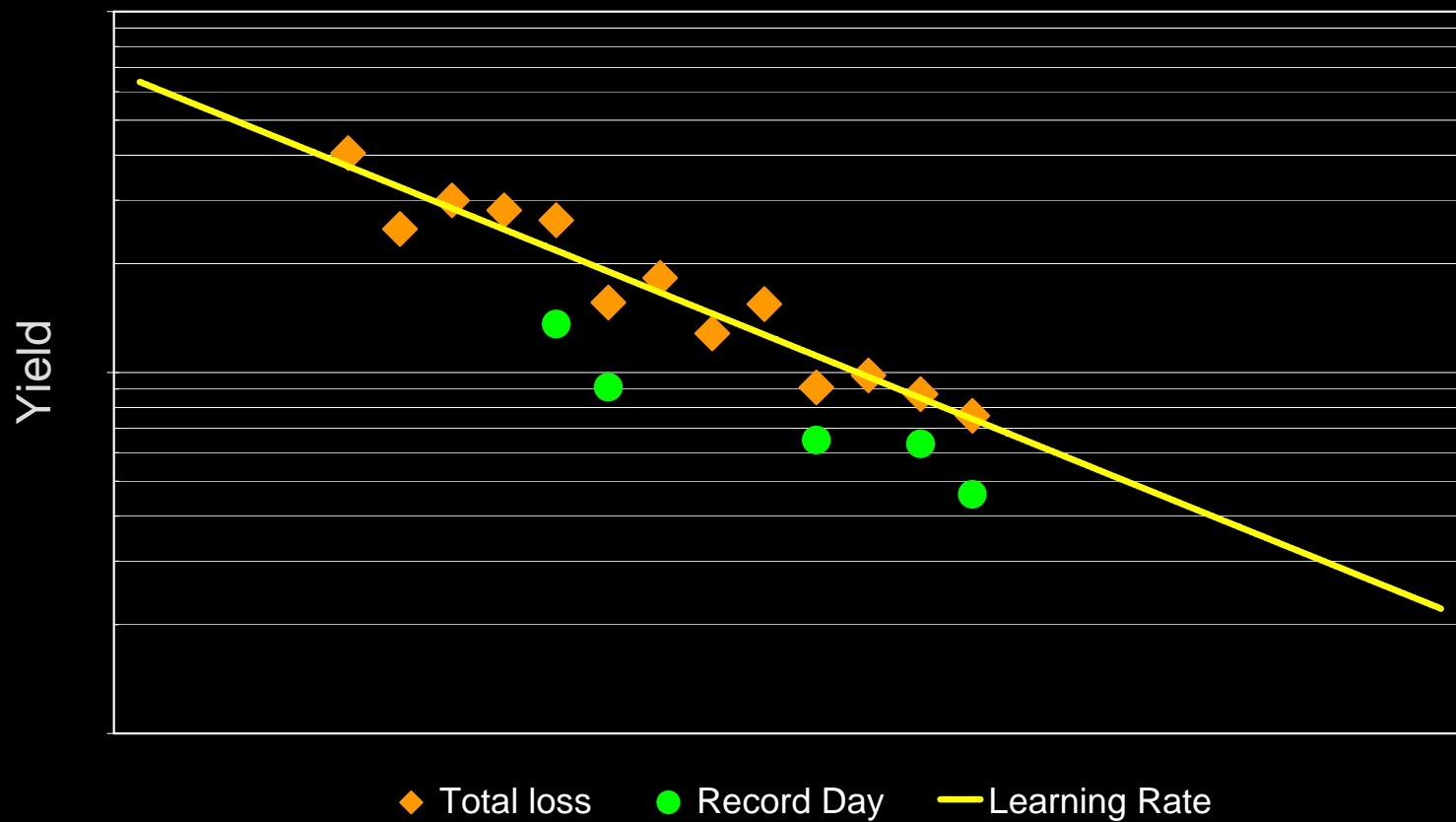
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Poly Grams per Cell Watt



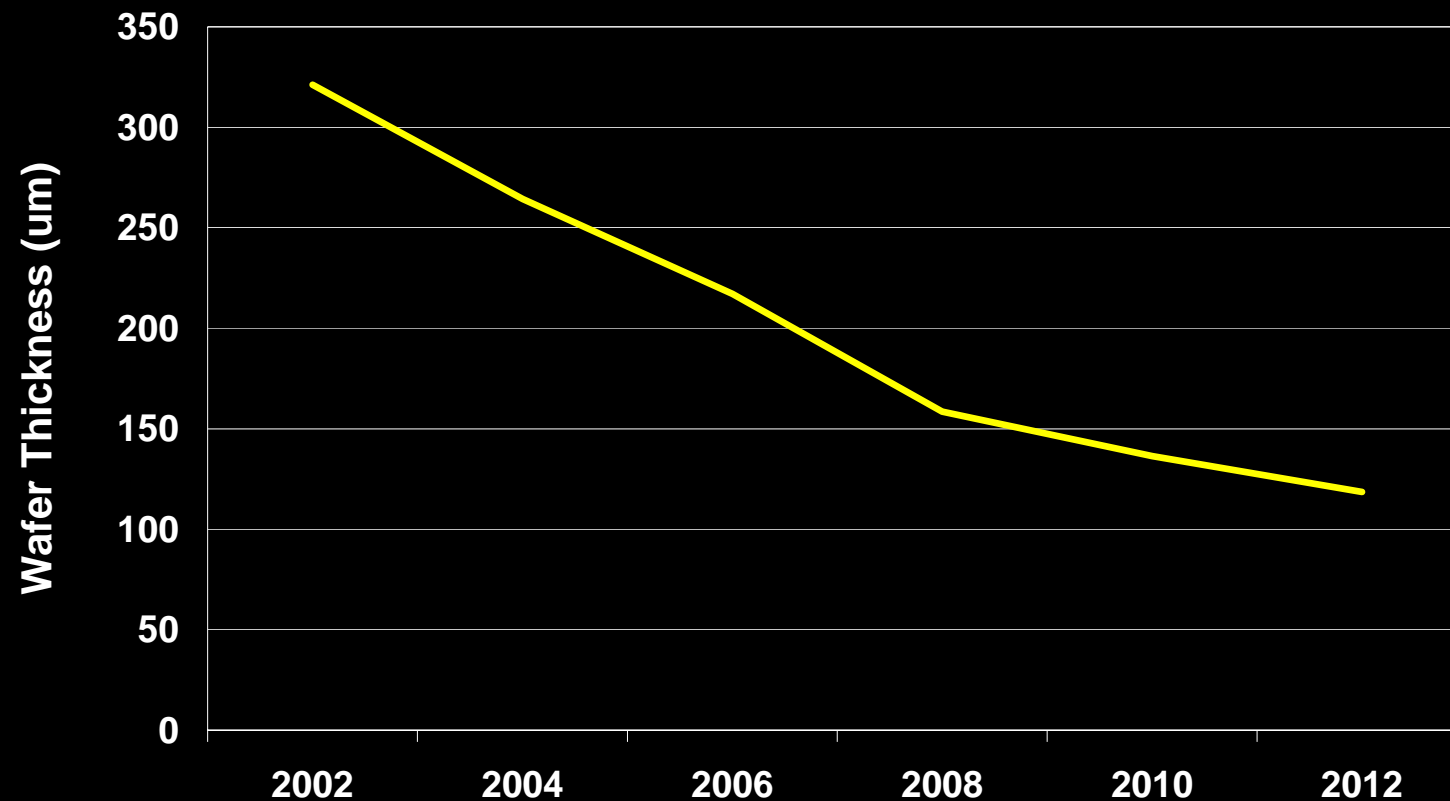
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Yield Loss Improvement Over Time



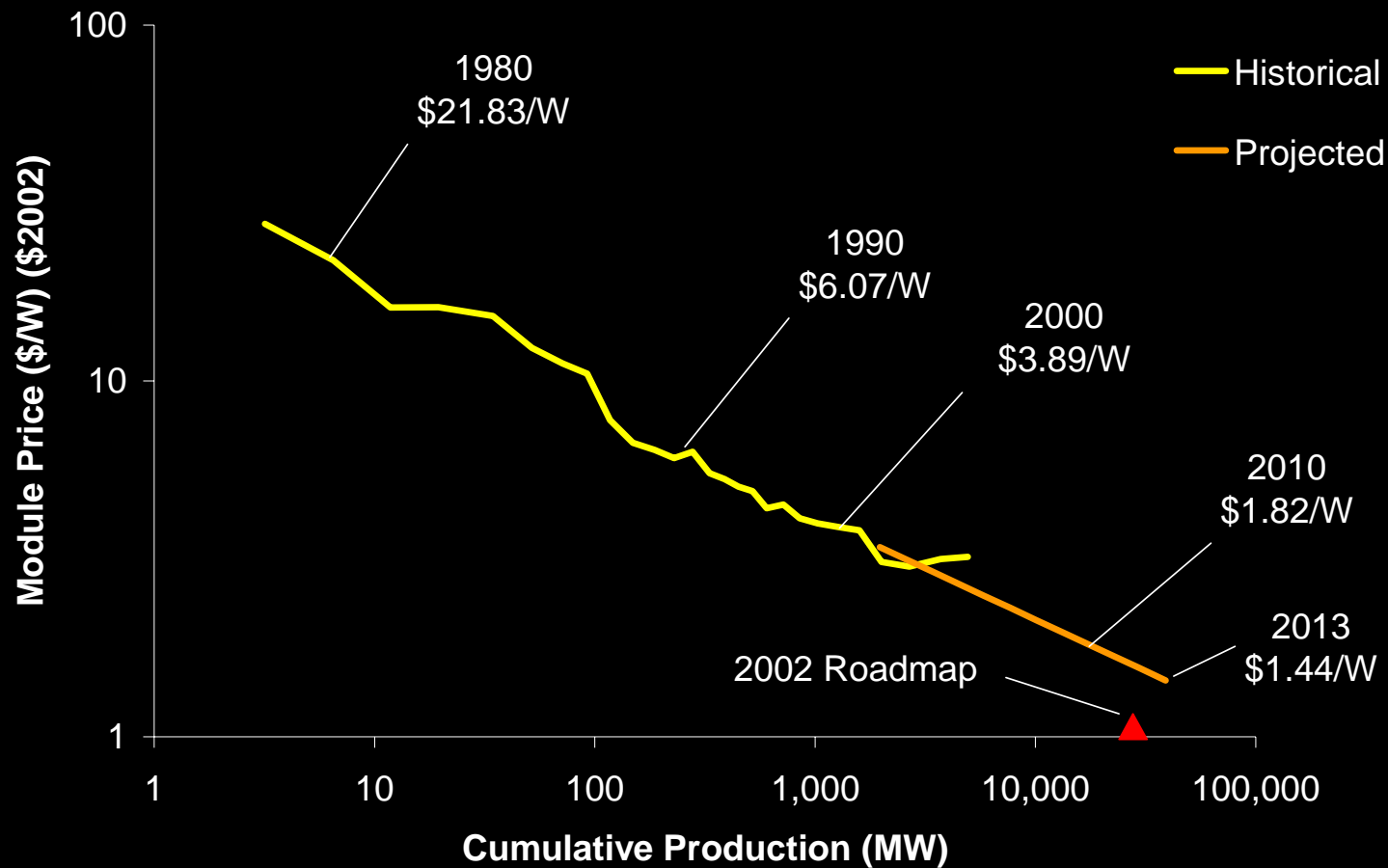
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Manufacturers are Accelerating Move to Thinner Wafers



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Solar Panel Learning Curve Predicts Retail Rate Parity < Decade



Announced November, 2006
Closing Quarter 1, 2007

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